GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:434
ANSWERED ON:03.02.2017
Setting up of NFRA
Thakur Shri Anurag Singh

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government is considering setting up a National Financial Reporting Authority (NFRA) to regulate the quality of audits and auditors;

(b) if so, the details thereof and the proposed functions of the body; and

(c) the time by when the NFRA established and starts its functioning?

Answer

THE MINISTER OF STATE (SHRI ARJUN RAM MEGHWAL)
IN THE MINISTRY OF CORPORATE AFFAIRS (???? ?????? ??? ??????)
???????? ????? ???????? ??? ????? ??????

(a) to (c):- Section 132 of the Companies Act, 2013 provides for establishment of the National Financial Reporting Authority (NFRA) with powers such as recommending accounting and audit policies, monitoring compliance of accounting and auditing standards with certain enforcement functions including dealing with cases of professional misconduct. The said provision has not yet come into force. Consultations have been held with Institute of Chartered Accountants of India (ICAI) on implementing the provisions contained in the section. Recommendations of the Standing Committee on Finance on section 132 have been received which are under consideration.
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